WATER QUALITY MEMORANDUM

Utah Coal Regulatory Program

February 5, 2004

TO: Internal File

THRU: Daron R. Haddock, Permit Supervisor

FROM: Gregg A. Galecki, Reclamation Specialist III

RE: 2000 Fourth Quarter Water Monitoring, Canyon Fuel Company, LLC, Skyline

Mine, C/007/0005-WQ00-4, Task ID #1204

1. Was data submitted for all of the MRP required sites?

YES[x] NO[]

Identify sites not monitored and reason why, if known:

The required 'Fall' sampling was conducted primarily in the first half of the month of October. Depth to water (DTW) for Well W2-1 was not included, but the operator committed to submitting the data ASAP.

2. On what date does the MRP require a five-year resampling of baseline water data.

Renewal of the permit is April 30, 2002. The MRP makes no commitment to sampling baseline water parameters one year prior to the renewal date. No baseline parameters are even outlined. Operational parameters are the only parameters ever collected.

Permit Renewal date 30Apr02

3. Were all required parameters reported for each site?

YES [x] NO []

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4.	Were	irregul	larities	found	in the	data?
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YES[x] NO[]

TDS and sulfate (SO4) anomalies noted during the last water-monitoring period were not present during the current sampling period. Static groundwater elevations in the following wells were noted since last quarter: Well 79-10-1B dropped an additional 1 foot (10-feet total since Fall 1999); Well 79-35.1A dropped an additional 11 feet (56.7-feet total since June 2000); and Well W2-1 dropped 34 feet (since June 2000). The groundwater elevations will continue to be monitored. Mine inflows encountered underground appear to be affecting the water levels in the above-cited wells. No other irregularities were noted.

5. Were DMR forms submitted for all required sites?

 1^{st} month, YES [x] NO [] 2^{nd} month, YES [x] NO [] 3^{rd} month, YES [x] NO []

All DMR information was submitted electronically.

6. Were all required DMR parameters reported?

YES [x] NO []

No flow conditions existed at the Loadout and Waste Rock facilities. Continuous discharge conditions existed from the Portal Area Discharge point

7. Were irregularities found in the DMR data?

YES [x] NO []

Exceedances were reported for all three (3) months (Oct-Dec) for the Total Dissolved Solids (TDS) maximum daily load of 7.1 tons/day. October reported 14,909 lbs/day (flow 2354 gpm / TDS 527 mg/l); November reported 15,408 lbs/day (flow 1687 gpm / TDS 760 mg/l); and December reported 16,502 lbs/day (flow 2090 gpm / TDS 657 mg/l). An exceedance of T-Fe was also reported in November with a value of 1.1 mg/l (1.0 mg/l daily max). Skyline Mine is working with DWQ to modify their permit to consider the TDS values on an mg/l basis instead of a tons-per-day limit. Discharge flows have increased 30 percent from last quarter from an average of 1428 gpm to 2044 gpm. This will continue to be monitored.

8. Based on your review, what further actions, if any, do you recommend?

No further action is necessary for the 2000 00-4 (4th) Quarter Water Monitoring data.